

Information about Economical Development of Khmelnytskyi Region

(as of July 01, 2007)

Nowadays Khmelnytskyi is the region with great facilities and broad opportunities for development as inner interregional so external interstate connections. Economics of Khmelnytskyi region has industrial and agrarian character and the most determinate peculiarities are powerful energy complex, considerable industrial facilities, multiple agriculture and competitive food and processing industries, sizeable natural resources and minerals, favorable investment climate, advanced tourist recreation and health-resort infrastructures, great scientific and human potential.

Electric power industry, agriculture, food industry, machine building and building materials industry make the basis of economics. A quarter of the working population is in industrial complex. Khmelnytskyi atomic power station runs two reactors and it has the third part of industry production region.

The third and the fourth reactors are supposed to be put in operation in 2014-2015.

Enterprises of food industry all the time increase volumes of goods production and promote it on domestic and foreign markets. JSC "Slavuta malt plant" is one of the largest enterprises of Ukraine by malt production. Machine-building enterprises maintenance supply gives opportunity to produce advanced technology products. Almost all enterprises have own tool production that is good ground for non-standard instruments of labour. Enterprises which produce modern apparatus, equipment, agricultural machinery and consumer goods create the basis of machine building industry.

JSC "Podillya Cement" is the leading enterprise in the branch of building materials which attracted over USD 18 mn for cement production revival.

Light industry enterprises are open for investments in order to expand their production. Sewing cluster "Khmelnytsklegprom" makes clothes according to the highest world fashion standards. Production of Kamyanskyi "Universal" Ltd is of great demand in Ukraine and Europe.

Industrial enterprises create new production line and also they certify their own system of quality management according to ISO 9001 international standard.

Rural sector of the region has great export potential. One can use over 2000 thousand ha of land resources area i.e. 80% or 1600 thousand ha for agricultural products production. Moreover, great part of black earth is in the region. Fertile lands and favorable climatic conditions give opportunity to get rich crop. Plant growing dominates in the structure of agricultural production. It is possible to develop vegetables growing owing to good natural conditions. Cattle-breeding is the second branch of agriculture. Poultry breeding, sheep breeding, rabbit breeding, beekeeping and fishing have being developed as well.

There is strong research-and-development complex in the branch of agrarian technologies and international cooperation is the highest point of it.

It is possible to increase volumes of agricultural production by means of highly profitable technologies implementation and investments attraction.

Khmelnytskyi region is an attractive place for business development in agrarian field.

"Small business" enterprises contribution to regional economics development increases from year to year. A quarter of working population is busy there.

The presence of great quantity of markets is unique feature of Khmelnytskyi region.

Building industry, clothes production, food production and tourism (traditional, extremal and green) are well developed in Khmelnytskyi region.

The rotation of export deliveries comes up every year; the quantity of export enterprises and partner countries is increasing. The positive balance of merchandise trade is held in trust. Main partners of the region are: Russia, Germany, Moldavia, Belarus, Poland and Italy.

Foreign investments in Khmelnytskyi region grew in 2 times during 3 last years. Almost 1/3 of total exports of the region have export deliveries of enterprises goods with direct foreign investments.

Investment proposal №1

Name of project	Housing estate with infrastructure objects building
Name of the organization	OJSC “Kamyanets-Podilskyi Center of Grain Production”
Essential elements of the organization	15D.Galytskogo St. Kamyanets- Podilskyi town, Khmelnyskyi region
Form of property National property part (%)	Collective
Head of the factory (organization): Position Full name Phone Fax e- mail	President OJSC “Adams” Adam Yakhiev 38 (03849) 3-96-10, 3-99-60
Contact person on the project: Position Full name Phone	Deputy chief engineer Kandaurov Mykola Grygorovych 38 (097) 217-46-82
Main activities (list of goods and services)	bakery, confectionery, dairy wares
Authorized capital (US)	-
Number of personnel	-
Trade turnover by main assets (US \$)	-
Description of the investment project	Housing estate building: 9-storied and low-rise buildings, blocking building with household plots and underground
Investment project completion level	Project-budget documentation is in the process of confirmation
General volume of investments (thousand of US dollars), including: -own costs -needs in investment capital	102 047 8% 92%
Form of investment	Direct investments
Project payback time	4-5
Profitability index, %	20

Investment proposal №2

Name of project	Building of processing plant Glauconitica-silica sand
Name of the organization	LTD "SPCA Ekoresurs"
Essential elements of the organization Phone Fax e-mail	21 Perfetskogo St, Lviv,79053 (0322) 94-97-57 65-95-21 geo-tech@svitonline.com
Form of property National property part (%)	Collective
Head of the factory (organization): Position Full name Phone Fax e-mail	Chair man Nakonechnyi Mykhaylo Vasylyovych (0322) 94-97-57 65-95-21
Contact person on the project: Position Full name Phone	Director Kozub Yuriy Bohdanovych (0322) 94-97-57, Fax 65-95-21
Main activities (list of goods and services)	-glauconitica concentrate -glauconite -quarts sand faction
Authorized capital (US)	-
Number of personnel	-
Trade turnover by main assets (US \$)	-
Description of the investment project	Joining ventures creation for plant building out put and selling production on domestic and foreign markets.
Investment project completion level	Work papers are agreed: -the technical order is worked out of glauconitica-silica sand enrichment and production out put; - is work out technical installation project; - is worked out of the building plant project with all agreements for building starting is completed; - confirming projects and business plan for production organization are worked out
General volume of investments (thousand of US dollars), including: -own costs -needs in investment capital	3 680 3 680
Form of investment	Direct investments
Project payback time	5
Profitability index, %	37

